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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

In the Matter of:

Minneapolis Post Office

Minneapolis, North Carolina

Docket No. A2011-31

UNITED STATES POSTAL SERVICE <u>COMMENTS REGARDING APPEAL</u> (September 19, 2011)

On July 26, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked July 19, 2011, from postal customer Ryan Carter (Petitioner) objecting to the discontinuance of the Post Office at Minneapolis, North Carolina. On July 27, 2011, the Commission issued Order No. 774, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 774, the Postal Service filed the administrative record with the Commission on August 10, 2011, and a Notice of Supplemental Filing on August 25, 2011. The Petitioner filed a Form 61 Participation Statement in support of the petition on August 23, 2011. The Commission received four letters from customers expressing concerns about the discontinuance of the Minneapolis Post Office (Letter from Louise Buchanan received August 25, 2010; Letters from Janice Trent, Ruth M. Brown and Stephen Carpenter received September 1, 2011).

The appeal received by the Commission on July 26, 2011 and the Participation Statement raise three main issues: (1) the effect on postal services, (2) the impact upon the Minneapolis community, and (3) the calculation of economic savings expected to result from discontinuing the Minneapolis Post Office. As reflected in the

administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Minneapolis Post Office should be affirmed.

Background

The Final Determination To Close the Minneapolis NC Post Office and Establish Service by Rural Route Service (FD), as well as the administrative record, indicate that the Minneapolis Post Office provides EAS-11 level service to 115 Post Office Box customers and retail customers 43.5 hours per week. FD at 1; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 12.² The postmaster of the Minneapolis Post Office was promoted on September 1, 2007. A noncareer employee who is Postmaster Relief (PMR) at Elk Park was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the OIC may resume her duties at Elk Park, be reassigned to another office, or be separated.³ The average number of daily retail window transactions at the Minneapolis Post Office is seventeen. Revenue has generally been low: \$18,914 in FY 2008 (49 revenue units); \$20,802 in FY 2009 (54 revenue units); and \$21,243 (55 revenue units)

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¹ See 39 U.S.C. 404(d)(2)(A).

In these comments, specific items in the administrative record are referred to as "Item ___."

³ FD, at 6; Item 33, Proposal to Close the Minneapolis, NC Post Office and Establish Service by Rural Route Service ("Proposal") at 1 and 4; Item No. 10, Post Office Survey Sheet.

in FY 2010.⁴ The Minneapolis Post Office has no meter or permit customers. FD at 1; Item No. 33, Proposal, at 1.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Newland Post Office, an EAS-18 level office located approximately nine to ten miles away, which has 359 available Post Office Boxes that are accessible twenty-four ours a day.⁵

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Minneapolis Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Minneapolis Post Office. Questionnaires were also available over the counter for retail customers at Minneapolis. FD at 1; Item 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Minneapolis Post Office. A letter from the Manager of Post Office Operations, Greensboro, NC was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Minneapolis Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Newland Post Office. The letter invited customers to complete and return a customer questionnaire and to express their

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⁴ FD, at 1; Item 18, Fact Sheet; Item 33, Proposal, at 1, 6.

⁵ FD at 1 and 5 (noting that the distance from the Minneapolis Post Office to the Newland Post Office is 9-10 miles); Item No. 18, Fact Sheet, at 19, 20; Item No. 33, Proposal, at 1.

opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item 21, Letter to Customers. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Minneapolis Post Office for a community meeting on February 11, 2011, to answer questions and provide information to customers. FD at 1; Item No. 21, Letter to Customer; Item No. 24, Community Meeting Roster; Item No. 33, Proposal, at 1. Customers received formal notice through postings at the affected Post Offices. The Proposal was posted with an invitation for public comment at the Minneapolis Post Office from March 14, 2011 to May 15, 2011. FD, at 1; Item No. 33, Proposal, showing round date-stamped cover sheet. The FD was posted starting on July 17, 2011, as confirmed by the round-dated FD cover sheet that appears in the administrative record.

In light of the postmaster vacancy, a minimal workload, low office revenue,⁶ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁷ very little recent growth in the area,⁸ minimal impact upon the community, and the expected financial savings,⁹ the Postal Service issued the FD.¹⁰ Regular and effective postal services will continue to be provided to the Minneapolis community in a cost-effective manner upon implementation of the final determination. FD at 1.

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⁶ See note 4 and accompanying text,

⁷ FD, at 1-4; Item No, 33, Proposal, at 1-3.

⁸ Item 16, Community Survey Sheet at 2, 3; Item No. 33, Proposal, at 3.

⁹ FD, at 2-3, 5-6; Item No. 18, Fact Sheet, at 1; Item No. 23, Proposal Checklist, at 2; Item No. 33, Proposal, at 1-4.

¹⁰ FD. at 1. 3-7.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Minneapolis Post Office on postal services provided to Minneapolis customers. The closing is premised upon providing regular and effective postal services to Minneapolis customers.

The Petitioner, in his letter of appeal and Participant Statement, raises the issue of the effect on postal services of the Minneapolis Post Office's closing, noting the convenience of the Minneapolis Post Office and requesting its retention. The Petitioner and three of the four customers submitting letters directly to the Commission, express particular concern about the security of the mail. A questionnaire was sent to the Postal Inspection Service concerning mail theft and vandalism. Postal Inspection Service records indicate that there has not been any report of mail theft or vandalism in the area. Item 33, Proposal at 2; Item 14, Possible Discontinuance of PO. The Postal Service advised that customers concerned about mail theft may place a lock on their mailboxes. FD at 3; Item 33, Proposal at 1. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 3; Item No. 33, Proposal at 1. Rural carriers will deliver packages that fit into the rural mailbox. Item 38, USPS Response Letters at 22a2, et seq. If the customer lives less than one-half mile from the carrier's line of travel, the carrier will attempt delivery of accountable items

and large parcels to the customer's residence, or at a location designated by the customer (if authorized by the customer), such as on the customer's porch or under a carport, or will leave a notice in the mailbox. If the customer lives over one-half mile away, the carrier will leave a notice in the mailbox. FD at 2; Item 38, Postal Service Response Letters at 22a2, et seq. Attempted delivery items will be taken back to the Newland Post Office. Customers may pick up the item at the post office, request redelivery on another day or authorize delivery to another party. FD at 2. For carrier pick up of packages, customers can contact the Newland Post Office letting the carrier know that the customer has a package available for pick up. The carrier can deviate from the line of travel in order to receive packages. The rural carrier will accept letters, flats or packages for mailing. FD at 1. Customers who will be away for an extended time, such as a vacation, may request that their mail be held at the post office during their absence. Upon return, the customer may request the post office to resume delivery. FD at 4.

The Postal Service has considered the impact of closing the Minneapolis Post

Office upon the provision of postal services to Minneapolis customers. Rural route

delivery to mailboxes installed on the carrier's line of travel provides access to retail

service that is similar to that in post offices, thereby alleviating the need to travel to the

Post Office. FD at 1; Item 23, Postal Customer Questionnaire Analysis; Item 33,

Proposal at 1-3. Most transactions do not require meeting the carrier at the mailbox. In

addition, carrier service is beneficial to many senior citizens and customers with

disabilities because the carrier can provide delivery and retail services to roadside

mailboxes. Customers do not have to make a special trip to the post office for service. FD at 1; Item 33, Proposal, at 1, 3; Item 23, Postal Service Customer Questionnaire Analysis at 1. Although inclement weather and heavy mail volume can cause deviations from the normal delivery schedule, the carrier is required to provide a vehicle of adequate size, equipped with necessary equipment (chains or snow tires, warning lights or signs, etc.) to serve the route safely and efficiently and in accordance with federal, state and local motor vehicle laws and regulations. FD at 3; Item 23 Postal Service Customer Questionnaire Analysis at 1. There is no indication that the business community will be adversely affected. FD at 2. There is little business in Minneapolis. Item 38 Postal Service Customer Questionnaires, e.g. at 22v1, 22dd2, 22b1, 22xx1, 22kkk2, 22ddd1.

Upon implementation of the final determination, services provided at the post office, such as the sale of stamps, envelopes, postal cards and money orders will also be available from the carrier to a roadside mailbox by rural route delivery emanating from the Newland Post Office. FD at 4. Thus, the Postal Service has properly concluded that all Minneapolis customers will continue to receive regular and effective service via rural route delivery to mailboxes installed on the carrier's line of travel.

Effect Upon the Minneapolis Community

The Postal Service is obligated to consider the effect of its decision to close the Minneapolis Post Office upon the Minneapolis community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices,

and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Minneapolis is an incorporated rural community located in Avery County, North Carolina. The Avery County Sheriff's Department provides police protection. The community is administered politically by Avery County, with fire protection provided by the Frank Volunteer Fire Department. There are several churches located in the Minneapolis community. Item 38, Postal Service Customer Questionnaire, at 22v1, 22xx1. The community is made up of commuters, law enforcement, accommodation and food service workers, health care workers, and retirees who travel elsewhere for supplies and services. FD at 5; Item 16, Community Survey Sheet; Item 38, Postal Service Questionnaires at 22q1, *et seq.*, where approximately 55 of the 63 customers returning the questionnaire indicated that they travel outside Minneapolis for supplies and services.

The Petitioner's letter of appeal and Participant Statement raise the issue of the effect of the closing of the Minneapolis Post Office upon the Minneapolis community, including the community's desire for a bulletin board. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5-6; Item 40, Analysis of 60-Day Posting Comments at 3. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Item 33, Proposal at 1-3; Item 38 USPS Response Letters at 22a2, et seq. Communities generally require regular and effective postal services and these will continue to be provided to the Minneapolis community. The record makes clear that the

Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Minneapolis name and ZIP Code in addresses. FD at 6; Item 33, Proposal at 1; Item 38, USPS Response Letters at 22a2, et seq.; Item 40, Analysis of 60-Day Posting Comments at 3. The Postal Service noted that perhaps a church can provide a community information meeting place. FD at 5; Item 40, Analysis of 60-Day Posting Comments at 3. In addition, the Postal Service has concluded that nonpostal services provided by the Minneapolis Post Office can be provided by the Newland Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 5; item 33, Proposal at 3.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Minneapolis Post Office on the community served by the Minneapolis Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Minneapolis Post Office and would still provide regular and effective service. Item No. 21, Letter to Customers. According to the administrative record, minimal grown is expected in Minneapolis. Item 33, Proposal, at 3; Item 16, Community Survey Sheet. The estimated annual savings associated with discontinuing the Minneapolis Post Office are \$49,079.00 FD at 4; Item 33, Proposal, at 4.

Two of the letters from customers to the Commission suggest keeping the Minneapolis Post Office open on a part-time basis. The Postal Service has broad experience with available options, and has implicitly considered this and similar options. The Postal Service, however, has determined that rural route service is the most appropriate solution for providing regular and effective service to the Minneapolis community.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 6; Item 33, Proposal, at 4.

The Postal Service determined that carrier service is more cost-effective than maintaining the Minneapolis postal facility and postmaster position. FD, at 6. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster was promoted on September 1, 2007. A noncareer employee who is the PMR at Elk Park was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the noncareer OIC may resume her duties at

Elk Park, be reassigned to another office, or be separated. FD at 6; Item 15, Post Office Survey Sheet. The record shows that no other employee would be affected by this closing. FD, at 6, 7; Item 15, Post Office Survey Sheet; Item 33, Proposal, at 1, 4. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Minneapolis Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Minneapolis Post Office on the provision of postal services and on the Minneapolis community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Minneapolis customers. FD, at 7. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Minneapolis Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Minneapolis Post Office be affirmed.

Respectfully submitted,

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